**Briefing on Key changes from VETAB to ASQA for RTOs and the implications on WSR**

July 1 2011 NSW RTOs were transitioned from a state base monitoring arrangement to the new National Regulator ASQA. The new legislation gives a wider range of regulator powers to ASQA

* + National training standards through the VET Quality Framework now legislative instruments not guidelines
  + New administrative sanctions for less serious cases
  + Powers to direct RTOs to address non compliance
  + Powers to require information
  + New civil penalties to apply sanctions without the need for prosecution
  + Criminal prosecution in the most serious cases

The most significant change is from a guidelines based system to a regulatory model underpinned by legislation.

**The Vision**

Students, employers and governments have full confidence in the quality of vocational education and training outcomes delivered by RTOs.

**The Model**

* + Ensures risks to quality vocational education are well managed
  + Employs a strong compliance auditing and monitoring regime and a range of escalating sanctions
  + Recognises the need for innovation and flexibility in VET

**Key features**

* + Robust framework of legislation   
    and standards
  + Balanced and responsive to risk
  + Risk focused
  + Industry engagement
  + Rigorous audit methodology
  + Fairness and transparency
  + Promotion of informed choice by   
    consumers
  + Accountability
  + Accessibility

**Robust framework of legislation and standards**

**The legislation**

* + *National Vocational Education and Training Regulator Act 2011*
  + *NVR Transitional Provisions Act 2011*
  + *NVR Consequential Amendments Act 2011*
  + *Education Services for Overseas Students Act 2000 (amended in 2010)*

**Legislative instruments**

* + VET Quality Framework
    - * Standards for NVR Registered Training Organisations(=AQTF)
      * Fit and Proper Person Requirements
      * Financial Viability Risk Assessment Requirements
      * Data Provision Requirements
      * Australian Qualifications Framework

**Risk**

* + Expectation of compliance at all times KEY POINT- emphasised by DDC

**Comprehensive risk management approach - the Risk Assessment Framework (s 190 of the Act)**

* + **Three levels**
  + Risk assessment of initial, renewal, scope applications (including financial viability risk assessment and fit and proper person assessment)
  + Structured risk assessment of RTOs
  + Analysis of system risks

**Risk Rating**

Indicators and factors

Performance;   
AQTF/VQF audit history  
ESOS audit history  
Substantiated complaints  
Other valid performance data

Governance;  
Financial viability data  
Recent fundamental changes to scope of operations  
Reliance on partnering organisations  
Transparency of organisational ownership and planning  
Total likelihood rating

**Analysis of VET system risks**

* + Data from audit outcomes about compliance trends
  + Feedback from industry bodies (ISCs and industry   
    regulators) and professional associations
  + Complaints data and trends
  + State/Territory/Australian Government intelligence (eg apprenticeship regulation, purchasing, DIAC)
  + Analysis of data based on quality indicators including student and employer outcomes and visa data

**Industry Involvement**

**Aim: Confidence that vocational outcomes meet industry standards**

**Engagement strategies**

* + Guidance on learning and assessment resources
  + Additional requirements for licensing outcomes
  + Participation in audit activities, pre-audit, technical advisers on audits or strategic industry audits
  + Development activities for auditors

**Rigorous RTO Audit Process**

* + Systematic and rigorous
  + Outcomes focused
  + Evidence based
  + Flexible
  + Fair, open and transparent
  + Moderated

Rigorous assessment of courses for accreditation

**When Do Audits Occur?**

* + Higher risk applications for registration renewal or change of scope referred for audit
  + Audits can be undertaken at any time to assess compliance with the VET Quality Framework – not necessarily given warning, can arrive at any time, in any delivery site to see any evidence of compliance requested.

**ASQA expects the applicant organisation or RTO to demonstrate how they comply with the standards. (Key Difference: No longer a climate accepting of Continuous Improvement approach)**

**Enforcement**

**Expectation of compliance at all times**

* + A range of administrative sanctions for failure to comply  
    with standards and legislation – directions, shortening period of registration, conditions, amending scope, suspension, cancellation, infringement notices
  + Civil penalties and offences

Key Points made by Dr Dianne Orr, ASQA Commissioner of Compliance of significant interest.

* Must review all processes within the RTO with a risk focus,
* Not a consultancy service, we will not be continuing the hand holding of some previous regulators. – VETAB had a continuous improvement process, ASQA expect everyone to start with absolute compliance and then apply continuous improvement.
* We are not a service; we are a Regulatory body and are here to ensure compliance with the National standards.
* ASQA can issue infringement notices and civil offences penalties.
* We need to include Industry Involvement in audits.
* Audits can be undertaken at any time to assess compliance with the VET Quality Framework – not necessarily given warning,
* Appeals to the decisions on ASQA audits are handled by the AAT; the Administrative Appeals Tribunal ( a federal court)
* Constantly referred RTOs back to National Registration Standards and the interpretation of these by the relevant industry body, as they do not provide advice on these, matters.

Summary:

We have entered a very different landscape for VET delivery to the one that we previously operated within. There was a significant change in the tone of the presentation to one of enforcement, and an emphasis on compliance not on being in the process of working towards.